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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM: David D. Gries, Director
Office of Congressional Affairs

EXTENSION

NO: OCA 86-0546

DATE: 27 FEB 1986

TO: (Officer designation, room number, and building)	DATE RECEIVED	DATE FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
1. D/PERS G20				
2. OP/PA&F G20				
3. OP/FR&S G20				
4. D/OCA				
5. EXO/OCA				
6. OCA/LEG				
7. OCA/LEG				
8. OCA Record				
9. OCA Chrono				
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11.				
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13.				
14.				
15.				

We have prepared the first monthly Legislative Highlights and Developments Report in response to your 10 February memorandum. Your suggestions are welcome.

/s/ David D. Gries

David D. Gries

FORM 1-79 610 USE PREVIOUS EDITIONS

GPO : 1983 O - 411-632

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SUBJECT: Legislative Highlights and Developments Report
February 1986

1. Title: Civil Service Pension Reform Act of 1985
Bill No.: S 1527 (HR 2672)
Sponsor: Sens Stevens (R,AL) Roth (R,DE)
Committee: Governmental Affairs (House Post Office & Civil Service)
Status: 9,10 Sep 85. Senate ammended and passed 7 Nov. (Passed House 8 Jul). Conferees appointed 21 Nov. A/o 25 Feb staffs nearing completion of compromise plan.
Outlook: Staffs estimate a bill will pass both Houses and be sent to the President before 30 April 1986.
Impact: This bill will affect all federal employees hired since 1 Jan 84, including CIARDS and non-CIARDS Agency employees. We generally support the package as outlined by the staff.

2. Title: Federal Employees Benefits Improvements Act of 1986
Bill No.: HR 4061 (S 2020)
Sponsor: Rep Oakar (D,OH) (Sen Trible (R,VA))
Committee: Post Office & Civil Affairs (Governmental Affairs)
Status: Introduced 28 Jan 86. Passed House 3 Feb 86. Senate substituted HR 4061 for S 2020 of Senator Trible. Passed Senate 5 Feb 86. Sent to President 20 Feb 86.
Outlook: The two provisions which caused an earlier Presidential veto have been ommitted from this bill.
Impact: Presidential approval of this bill will permit eligible Agency annuitants to recieve health benefits rebates.

3. Title: Tax Reform Act of 1985
Bill No.: 3838
Sponsor: Rep Rostenkowski (D,IL)
Committee: Ways & Means
Status: Reported out of Committee 7 Dec 85. Passed House 17 Dec 85. In Senate referred to Finance Committee 18 Dec 85. Section 1122(c)(1) of the bill would repeal the 3 year recovery rule on taxation of annuities.
Outlook: Senator Trible (R,VA) introduced S Res 304 on 29 Jan 86 expressing the sense of the Senate that Section 1122(c)(1) be deleted from HR 3838. It does not have the force of law but was referred to the Finance Committee which will handle the Senate tax reform bill. A/o 25 Feb the Senate Finance Committee had not begun mark up on the bill. HR 4141 introduced by Rep Gingrich (D,GA) on 6 Feb 86 would provide that no provisions of HR 3838 take effect before 1 Jan 87. It was referred to Ways and Means.
Impact: Retirees would be subject to immediate tax on the government contribution to their annuities.

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Retirement

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IOD

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